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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:

DELPHI CORPORATION, et al.

Case Nos. 05-44481 (RDD)
Jointly Administered

Debtors.

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**OBJECTIONS OF USW TO DEBTORS' THIRD SUPPLEMENT
TO KECP MOTION SEEKING AUTHORITY TO CONTINUE
AIP FOR SECOND HALF OF 2007**

The United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers, International Union (USW), AFL-CIO (the "USW" or "United Steelworkers") submits these objections to the Debtors' Second Supplement to KECP Motion (Docket No. 213) Seeking Authority to Continue AIP for First Half of 2007 dated March 12, 2007 (the "Second Supplement Motion"). The USW also filed objections to the Debtors' Second Supplement KECP Motion on or about March 20, 2007.

1. Throughout the process of seeking (and obtaining) this Court's approval for prior phases of the KECP, the Debtors underscored the fact that no portion of the incentives to be paid to executives was related to savings taken from the backs of the Debtors' employees. In particular, the EBITDAR targets used to determine

incentive payments expressly excluded corporate earnings related to union concessions (the “U” in the Debtors’ “EBITDAR-UG” targets).

2. With zero fanfare, the Debtors have now removed this critical component. Executives will, in fact, be eligible for extra compensation as a result of having slashed the wages and benefits of the people who devoted their working lives to this company and who actually make the products the Debtors must sell in order to survive. This is exactly what the Debtors promised they would not do. Now that the unions have negotiated gut-wrenching cuts in employment and in worker pay, the Debtors’ executives suddenly reverse course and seek to gain from the employees’ pain.
3. This is wrong. It contradicts what the Debtors have promised for nearly two years. It must not be approved.

Dated: September 20, 2007

MEYER, SUOZZI, ENGLISH & KLEIN, P.C.

By: /s/ LOWELL PETERSON
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